

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 3487	Date: April 1, 2016
	Change Request 9608

SUBJECT: Corrections to Recoding in the Home Health (HH) Pricer Program

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to install a corrected HH Pricer program. It also requires Medicare Administrative Contractors (MACs) to adjust claims to correct recoding errors that resulted in inaccurate payments. This Recurring Update Notification applies to chapter 10, section 70.5.

EFFECTIVE DATE: January 1, 2016

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: April 25, 2016

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

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SUBJECT: Corrections to Recoding in the Home Health (HH) Pricer Program

EFFECTIVE DATE: January 1, 2016

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IMPLEMENTATION DATE: April 25, 2016

I. GENERAL INFORMATION

A. Background: The Centers for Medicare & Medicaid Services (CMS) has identified an error in the HH Pricer program that causes incorrect Original Medicare payments to home health agencies (HHAs). As a result of this error, claims that were recoded to a different payment group were assigned incorrect Health Insurance Prospective Payment System (HIPPS) codes.

The HH Pricer program routinely validates whether the HIPPS code on a claim is supported by the appropriate number of therapy services. If the number of therapy services is higher or lower than what is reflected in the HIPPS code, the Pricer re-codes the claim and a HIPPS code corresponding to the actual therapy services is paid. Since the January 2016 update to the HH Pricer, the program performed this action incorrectly when the provider-submitted HIPPS codes begins with 5 or when 20 or more therapy visits are provided and the provider-submitted code is recoded to a HIPPS code beginning with 5.

The CMS has revised the HH Pricer to correct these errors. The revised HH Pricer will be implemented on April 25, 2016. After this implementation is completed, MACs shall adjust affected HH claims in order to correct payments to the HHA.

B. Policy: This change request does not involve any legislative or regulatory policies.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
9608.1	The contractor shall install the revised HH Pricer program provided by CMS.					X				HH PPS Pricer
9608.2	Once the revised HH Pricer is installed, the contractor shall adjust claims that meet the following criteria: - Type of Bill 032x other than 0322, - APC-HIPPS codes in the 5xxxx range, and - Claim receipt dates on or after			X						

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	January 1, 2016.									
9608.2.1	The contractor shall complete the claims adjustments within 30 days of the installation date of the revised HH Pricer.			X						

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
9608.3	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.			X		

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Wil Gehne, wilfried.gehne@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0